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United States
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DEPARTMENT OF HOMELAND SECURITY

U. S. COAST GUARD

STATEMENT OF

REAR ADMIRAL WAYNE JUSTICE

ON

**TRANSIT ZONE OPERATIONS: CAN WE SUSTAIN RECORD SEIZURES
WITH DECLINING RESOURCES?**

BEFORE THE

**GOVERNMENT REFORM SUBCOMMITTEE ON
CRIMINAL JUSTICE, DRUG POLICY & HUMAN RESOURCES**

U.S. HOUSE OF REPRESENTATIVES

APRIL 26, 2006

Good afternoon Mr. Chairman and distinguished members of the Committee. It is a pleasure to speak to you today about the Coast Guard's part of our nation's drug interdiction operations.

This Committee has asked if we can sustain record seizures of cocaine in the transit zone with declining resources. In the context of declining resources alone, it would certainly be a challenge, if not impossible, to sustain our current cocaine seizure levels. Fortunately, however, there is a plan to recapitalize our assets – the Integrated Deepwater System – and there are other important factors that contribute to drug interdiction success. Before I tell you about the challenges I see in sustaining record breaking seizures of cocaine in the transit zone, let me first tell you why we have been so successful these past three years.

Behind the Success

The Coast Guard, and our interagency partners, have enjoyed tremendous interdiction successes over the past several years in the transit zone. We removed nearly 294,000 pounds, or 133-metric tons, of cocaine from the transit zone in fiscal year 2004, and over 338,000 pounds, or 153-metric tons, of cocaine in fiscal year 2005. In comparison, from 1993 to 2003, the interagency seized an average of 109,474 pounds, or about 50-metric tons, per year. To put it more powerfully, last year alone, we removed more cocaine than we cumulatively seized in all of the years from 1994 to 1998.

The Coast Guard attributes these successes to three primary factors:

First, we have developed the ability to use far more real-time, actionable, tactical intelligence. In the past, we patrolled and responded to general smuggling trends in the transit zone. As an example, we would shift our target vessel focus from high speed boats or “go fasts” in the Caribbean to larger longer range fishing boats in the Eastern Pacific. Rarely, however, could we narrow the area, and hardly ever did we know the optimal location to place response units. That has changed. We now benefit from the unprecedented success of the joint Department of Homeland Security and Department of Justice investigative task force, Panama Express (PANEX), which feeds a vast amount of actionable, drug-related intelligence to Joint Interagency Task Force (JIATF) South in Key West, FL. This intelligence is used to cue our Coast Guard interdiction assets and when used in conjunction with Maritime Patrol Aircraft (MPA) and surface assets, provides increased opportunities for seizures. PANEX has been so effective that JIATF South has reported it has actionable information on more suspect vessels than we, the Coast Guard, and our partners in the interagency have the capability to intercept.

Second, we have fielded more capable assets for detection and monitoring and interdiction and apprehension. In 1998, the Coast Guard estimated that it was stopping less than ten percent of the drugs entering the United States via non-commercial maritime means. Spurred by these estimates, a plan was developed to counter the go-fast threat, which at the time was nearly impossible to stop with the assets we had in place. These small, agile, 45-plus knot vessels, carrying upwards of two tons of cocaine, could not be stopped at sea by U.S. interdiction assets. Our counter was the employment of a new airborne use of force tactic, and the development of the Helicopter Tactical Interdiction

Squadron (HITRON) to employ it. Since 2002, HITRON helicopters have directly contributed to over 100 go-fast interdictions and the seizure of 142-metric tons of cocaine. We have also seen greater success when JIATF-South uses more capable MPA platforms than the Coast Guard can provide, such as the NIMROD Maritime Patrol Aircraft flown by the Royal Air Force. In addition, the C4ISR improvements to our surface fleet through the Coast Guard's Deepwater acquisition program have also contributed to our operational capabilities. Our ability to better communicate in real-time with our Department of Defense (DOD) partners at JIATF-South, and the assets operating on the water and in the air, has streamlined command and control operations, resulting in more efficient case prosecution, expedited logistics and wider ranging intelligence sharing.

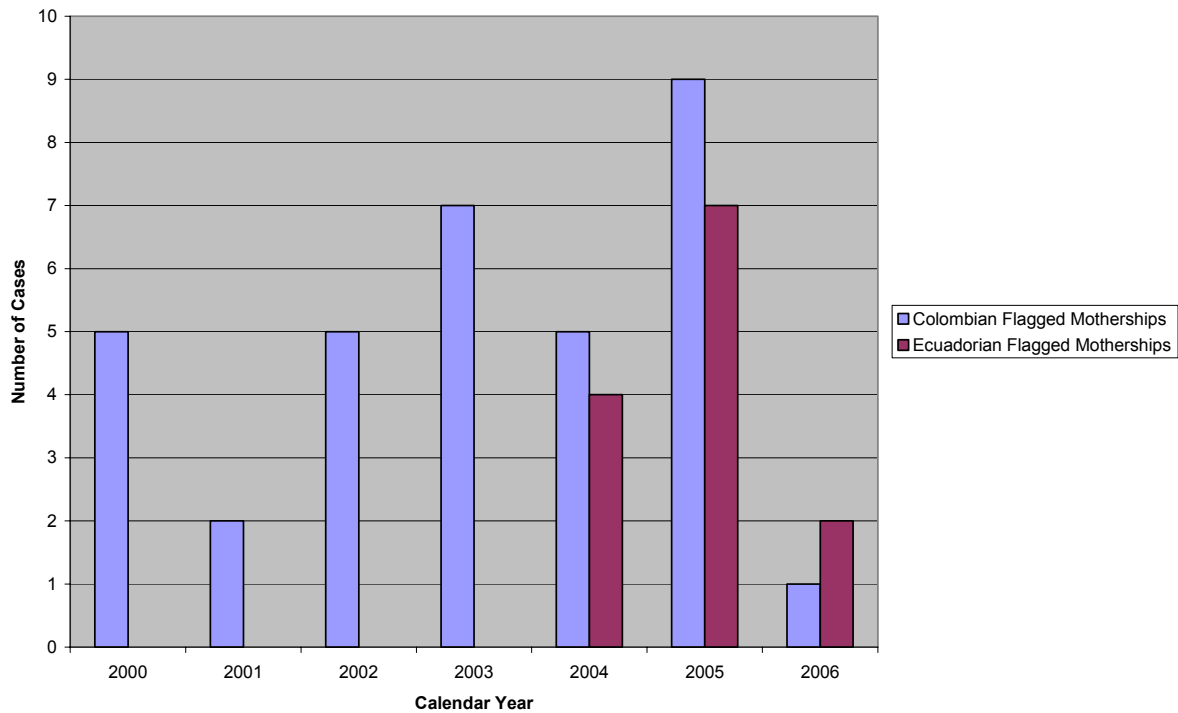
Finally, we have been extremely successful in developing cooperative agreements with our allies and drug interdiction partner nations to help us combat smuggling in the transit zone. Since 1981, the Coast Guard, in cooperation with the Department of Justice and the Department of State has embarked on an international engagement program to negotiate a series of 26 bilateral agreements with our drug interdiction partner nations in and around the transit zone. Our ability to work with our partner nations at the operational level, in real-time or near real-time, removes many of the authority questions and jurisdictional issues that drug trafficking organizations had previously been able to use to their advantage. Specifically, since February 16, 2000, the USG has boarded/detained/interdicted 126 vessels, 705 persons, 494,740 lbs of cocaine and 5,840 lbs of marijuana under the provisions of the U.S.-Colombian maritime counterdrug bilateral agreement. The value of these agreements is seen every day in our ability to gain jurisdiction over these criminals, leading to longer sentences of those convicted of trafficking, and our ability to gain access to information about the trafficking organizations which we otherwise would not have.

Changing Tactics – A Reaction to Our Success

Attempting to remain agile, we continue to develop better capabilities and tactics, but our Drug Trafficking Organization (DTO) adversaries have reacted to our successes. As we saw in the early 1990s, DTOs shifted from using large transport ships to small high speed "go fast" boats. We are now observing another shift from DTOs using Colombian flagged fishing vessels as motherships to Ecuadorian flagged fishing vessels as motherships for cocaine shipments. The DTOs continue to find unusual and innovative ways of defeating our interdiction effort; such as sophisticated at-sea refueling networks, towed submersibles, routes much farther offshore, and significantly increased air activity between source and transit zone countries.

To illustrate my point, the chart below shows the increased use of Ecuadorian motherships, a result of the very successful cooperative shipboarding agreement between the United States and Colombia. Prior to fiscal year 2004, no Ecuadorian flagged fishing vessels were seized with drug loads. In fiscal year 2006, the number of Ecuadorian flagged fishing vessels seized for smuggling exceeded Colombian flagged fishing vessels.

COAST GUARD MOTHERSHIP SEIZURE CASES BY FLAG (CY 2000-2006)

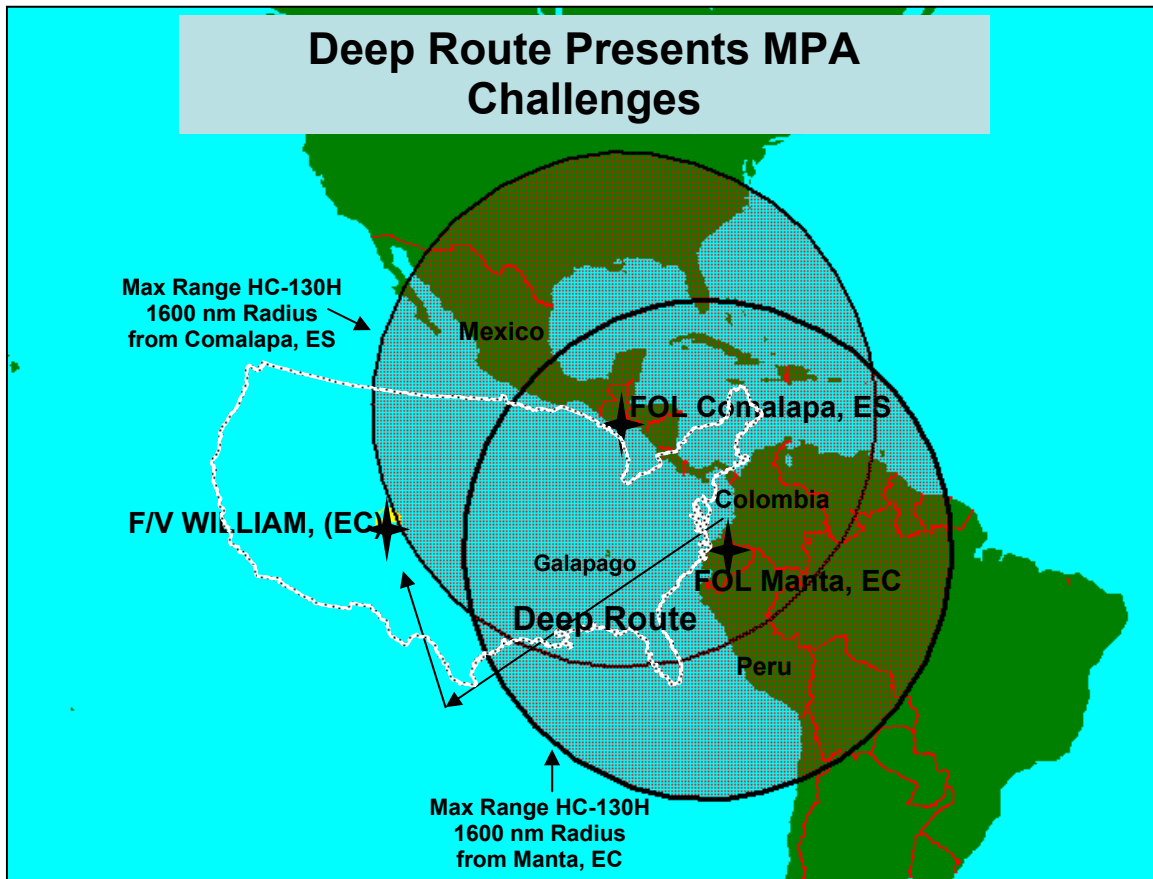


Challenges To Future Success

Asset Availability. With or without actionable intelligence, the primary means of detecting and monitoring drug smuggling in the transit zone is long-range Maritime Patrol Aircraft (MPA). As Rear Admiral Hathaway, Director of JIATF-South, testified before this Committee in June of last year, we detect less than three out of every 10 known go-fast events. Of those we do detect, we successfully interdict almost 75 percent. We are very good at stopping these go-fasts when we detect them and surface assets are able to respond. While the good news is that we finally have more actionable intelligence to which to respond; the bad news is that despite our best efforts current resources cannot provide enough MPA and surface assets to respond to all of the actionable intelligence cueing. For example in fiscal year 2005, the Coast Guard Pacific Area lost 234 days of major cutter time due to mechanical failures. In this current fiscal year, it has lost 333 days so far. Similarly in fiscal year 2005, the Coast Guard Atlantic Area lost 300 days of major cutter time due to mechanical failures. Just to add some perspective to these numbers, one major cutter equates to 180 days per year.

As I previously mentioned, DTOs are shifting their tactics in response to our interdiction efforts. These new smuggling methods stretch the capability of our surface assets to patrol an ever expanding transit zone. The use of new “Deep Routes” involves fishing vessels with multi-ton loads of cocaine transiting further south and west of the Galapagos Islands in an attempt to avoid law enforcement assets. Recently the Ecuadorian flagged *F/V WILLIAM*, after being detected by MPA nearly 1,800 nautical miles west of the Galapagos Islands, was interdicted with more than 10,000 pounds of cocaine by a Coast Guard Law Enforcement Detachment on the USS GETTYSBURG. Without adequate

MPA, it is impossible to detect these vessels. The chart below depicts the challenges presented by the vast ocean the DTOs are now exploiting.



Note: Chart depicts the Deep Route southwest from the Pacific Coast of Colombia over 1800 nautical miles southwest of the Galapagos Islands, EC.

Both Customs and Border Protection (CBP) and the U.S. Navy have experienced structural deficiencies with their P-3 fleets, reducing the amount of available MPA resource hours. Additionally, Coast Guard C-130s are undergoing wingbox inspections and repairs while some of our international partners have other competing priorities limiting their asset contribution. Further exacerbating the problem are maintenance problems with the rapidly deteriorating and aging Coast Guard surface fleet. We are addressing the problems with both our interagency and international partners, but the bottom line remains – we need full funding for the Deepwater acquisition program which will provide more MPA and recapitalized cutters.

Growing Capacity, Capabilities & Partnerships. As the constant “thrust and parry” between interdiction assets and DTOs continues, we need to be able to adjust to new tactics, routes and attempts to avoid prosecution on the part of smugglers. Likewise, we need to continue improving our own tactics and capabilities. One example is the expansion of our airborne use of force program with the U.S. Navy. As I mentioned earlier, airborne use of force exercised by HITRON has been an overwhelming success. This week, on April 28th, we will continue to grow the program by deploying the first U.S. Navy aircrew qualified to employ airborne use of force for the counterdrug mission. The

use of Navy assets for airborne use of force will be a valuable force multiplier to Coast Guard Operational Commanders for stopping go-fasts in the transit zone.

We must also fully support PANEX in order to provide the assets necessary to develop new sources in countries other than Colombia. As DTOs move away from the use of Colombian vessels for moving drugs, intelligence gained from interdictions will likely decrease.

The U.S. needs to aggressively engage the governments of Ecuador and Mexico to foster the same level of cooperative relationships we currently enjoy with other partner nations throughout the transit zone. Mexico remains the primary staging destination for drugs moving from South and Central America bound for the U.S. Establishing a cooperative bilateral agreement, or at least agreed upon operating principles, with Mexico is paramount to stopping illegal drugs from arriving in the U.S. In July 2004, the U.S. presented the Government of Mexico with a Statement of Interdiction Principles (SIP) in an attempt to align expectations regarding the treatment of stateless or apparently stateless vessels engaged in trafficking. The document has yet to be signed by the Government of Mexico

The U.S. enjoys a very successful bilateral agreement with Colombia, which serves as a model for international cooperation. Colombia has authorized the U.S. to exercise jurisdiction over their nationals and vessels, regularly engages in joint ship-rider exchange programs, and provides Colombian Navy and Coast Guard assets to work alongside U.S. assets – all of which leads to increased seizures, intelligence, and deterrence to DTOs from using Colombian vessels for smuggling. We should continue to support the Colombian Navy and Coast Guard as much as possible in order to maintain this productive partnership.

Finally, we need to replace the aging surface and air fleets that we are pushing harder, further, and longer each year. JIATF South needs more MPA for long-range detection, and the Coast Guard needs more capable surface and air end-game assets to interdict the smugglers we detect. As mentioned previously, the answer is the Coast Guard's Integrated Deepwater Program – our long term acquisition project that will deliver more capable cutters, aircraft, and sensors to support JIATF South and meet the need for a robust endgame capability throughout the transit zone.

Closing

Our drug interdiction successes are the result of a coordinated team effort, and the Coast Guard appreciates your support over the years. However, as we peek over the horizon, the counterdrug battlefield is once again changing. We must respond quickly using actionable intelligence, capable assets and international partnerships. I ask you to support our interagency efforts and the Coast Guard's Deepwater program to ensure we are ready for the fight.

Thank you for the opportunity to testify before you today. I will be happy to answer any questions you may have.